

PCA – Process Nursing Facility Cost Report Via Desk Review

Purpose: Review the cost report using desk review procedures to determine if reported costs are allowable and reasonable for Nursing Facilities. Form 470-0030, Financial and Statistical Report is filed by freestanding and Hospital based nursing facilities serving both skilled and non-skilled, 90 days after their fiscal year end. Form 2552-10, Hospital and Healthcare Complex Cost Report is filed by Medicare certified hospital based nursing facilities providing skilled care only and is due 150 days after their fiscal year end.

Identification of Roles:

1. Accounting Assistant – reviews the cost report to determine if all the necessary information was completed and received. Imports/data enters cost report. Also reviews the reported items to make sure it foots and ties out to supporting documentation.
2. Staff Accountant – performs desk review procedures to determine reasonable and allowable costs.
3. Senior Accountant – may perform desk review procedures and perform reviews.
4. Supervisor – perform review of desk review procedures and adjustments.
5. Manager – may perform review of desk review procedures and adjustments.

Performance Standards:

Perform annual desk review and notify the provider and the Department of the new payment rate by sending a rate sheet within 90 days of receipt of the financial and statistical report.

Notify the provider and the Department of the new payment rate by sending a “rate sheet” within two months of the end of the month after receipt of the financial and statistical report.

Path of Business Procedure:

- Step 1: Cost reports are submitted by nursing facility providers. Mailroom receives Cost Report and scans into On-Base and forwards report to Provider Cost Audit (PCA). If electronic version, then the disk is sent to PCA.
- Step 2: Postmark date of Cost Report is scanned into On-Base.
- Step 3: Receive notification from On-Base that cost report is ready for processing.
- Step 4: Receive hard copy and electronic version of cost report from mailroom.
- Step 5: Perform preliminary review of cost report.

- Step 6: Log receipt of Cost Report in status log in Access and Iowa Medicaid Cost and Rate System (IMCARS).
- Step 7: Send "Cost Report Acknowledgment" letter to agency. Letter is located on the Provider Cost Audit share drive.
- Step 8: Cost Report information is imported/data entered into IMCARS.
- Step 9: Review Cost Report for mathematical accuracy and completeness.
- Step 10: Log support staff review complete date in status log in Access and IMCARS
- Step 11: Perform desk review.
- Step 12: Make necessary adjustments to reported data to determine allowable costs.
- Step 13: Review patient day costs for reasonableness.
- Step 14: Determine if field audit is needed. Complete desk review steps and update stat log if field audit is to be completed at later date. See Operational Procedure 4000.2 for field audit process.
- Step 15: Log accountant review complete date in status log in Access and IMCARS.
- Step 16: Perform review of procedures and adjustments.
- Step 17: Log review complete date in status log in Access and IMCARS.
- Step 18: Process desk review report.
- Step 19: Send adjustments and per diem summary to the provider.
- Step 20: Log date report sent to provider in status log in Access and IMCARS.
- Step 21: Give quarterly agreed upon procedure report to the Department of Human Services (DHS).
- Step 22: Prepare semi-annual compilation summary cost and statistical data using provider submitted cost reports.

Forms/Reports:

1. Form 470-0030, Financial and Statistical Report.
2. Form 2552-10, Hospital and Healthcare Complex Cost Report.
3. Provider workpapers.
4. Desk Review program and workpapers.
5. Desk Review report.
6. Semi-annual Compilation Report

RFP References:

Section 6.7.1.2b

Interfaces:

Medicaid Management Information System (MMIS)
IME Core Unit

Attachments:

Form 470-0030 –

http://www.ime.state.ia.us/docs/NursingFacility_V597version.xls

Instructions to Form 470-0030 -

<http://www.ime.state.ia.us/docs/CostReportInstructions4.pdf>